



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

February 13, 2015

BY ECF AND ELECTRONIC MAIL

The Honorable Paul G. Gardephe
United States District Court
Southern District of New York
40 Foley Square, Room 2204
New York, New York 10007

Re: *United States v. Sarvesh Dharayan*, 13 Cr. 780 (PGG)

Dear Judge Gardephe:

The Government respectfully submits this letter in advance of the sentencing of Sarvesh Dharayan, scheduled for February 17, 2015 at 2:30 p.m. and in brief response to Dharayan's sentencing memorandum, which was not dated but submitted on February 3, 2015. For the reasons set forth in the Government's sentencing memorandum dated December 30, 2014 (dkt # 86) and those set forth below, the Government respectfully requests that the Court impose a sentence within the applicable Guidelines range of 37 to 46 months' imprisonment, a sentence sufficient but not greater than necessary to satisfy the purposes of sentencing as set forth in 18 U.S.C. § 3553(a), particularly to afford adequate deterrence to criminal conduct, and to reflect the seriousness of the offense and promote respect for the law.

First, contrary to Dharayan's assertions, Dharayan is substantially more culpable than his co-defendant Sanjay Gupta. It was Dharayan's company, Apex Technology Group, Inc. ("Apex"), not Gupta, which stood to gain the most by fraudulently obtaining the victim, MultiPlan's, business. Indeed, from about 2010 to 2012, Dharayan's company, Apex, received about \$6,625,479.20 from the Victim. It was moreover a company formed and controlled by Dharayan – not Gupta – called Blackstone Consulting group, that Dharayan used to funnel and conceal bribes to Anil Singh, MultiPlan's Director of Database Administration. These bribe payments, orchestrated and made regularly by Dharayan, totaled at least \$1,722,620. Moreover, e-mails obtained during the investigation show that Dharayan directly and brazenly communicated openly with Singh via e-mail about the bribe payments. For example, as set forth in the criminal complaint filed in this case, e-mails obtained during this investigation show the following:

- On or about July 14, 2011, Dharayan e-mailed Singh discussing Singh's "share" of the hourly billings performed by Dharayan's company, Apex. In the e-mail, Dharayan, not Gupta, instructs Singh regarding what Singh's "share" was for two

database administrators Apex placed with MultiPlan and further directs Singh to “update your records and correct your invoice.”

- On or about April 27, 2012, it was Dharayan, not Gupta, who sent an e-mail to Singh expressly asking for an invoice from Nean Consulting, a company Singh used to accept bribe payments. In the e-mail, Dharayan, wrote “Need Jan Invoice in amount of \$98780.75.” Bank records for Nean Consulting show that just days earlier Dharayan – not Gupta – wrote four checks from Dharayan’s company Blackstone to Nean, totaling \$98,870.75, the precise amount Dharayan had written to Singh.

Dharayan’s suggestion that it was Singh and Gupta who “effectively corrupted” Dharayan (Def. Mem. 34), when it was: Dharayan and Dharayan’s company, Apex, that directly executed the fraud and received the fraudulent proceeds; Dharayan’s conduit company, Blackstone, controlled by Dharayan, not Gupta, that Dharayan used to make and conceal over \$1.7 million in bribe payments; and Dharayan who directly communicated via e-mail with Singh about Singh’s “share” of MultiPlan’s payments to Apex and sought fake invoices to conceal the bribes, reflects a failure to fully come to terms with his conduct.

Second, contrary to Dharayan’s assertions, the evidence supports the finding in the PSR that Dharayan paid for Singh’s airfare and hotel accommodations for a September 2011 trip to Las Vegas as part of the bribe. As reflected in a September 6, 2011 e-mail from Dharayan to Singh, it was Dharayan who scheduled and arranged this trip. Moreover, based on airline records and information from Singh, it was Dharayan who paid for Singh’s roundtrip airfare and hotel accommodations – on the Las Vegas strip – and there was no legitimate business purpose for this trip.

Third, Dharayan should not be permitted to complain that he allegedly did not receive payment from MultiPlan – for business he obtained only through fraud – for a period of several months while MultiPlan was conducting an internal investigation to determine the nature and extent of the fraud. During its internal investigation, which began based upon information provided on June 28, 2012 by an inside source, and concluded with firing of Keith Bush, MultiPlan’s Chief Information Officer, and Singh on September 16, 2012, Dharayan continued submitting invoices from Apex for business obtained through the fraudulent scheme. These invoices, which spanned the period from about July 18, 2012 through September 7, 2012, totaled \$786,622 (not \$1,177,461 as alleged by Dharayan, *see* Attachment A hereto). The day after Bush and Singh were fired, Apex was terminated. Earlier termination of Apex would likely have prematurely revealed the investigation, likely resulting in the destruction of evidence and potentially flight from prosecution by others involved in the scheme. Dharayan’s attempt to mitigate his wrongdoing by blaming MultiPlan for not paying his bills while it investigated Dharayan’s own misconduct is nothing other than a classic attempt to blame the victim and should be rejected.

Fourth, the Court should order forfeiture in the amount of \$1,722,620, as set forth in the plea agreement, and restitution in the amount of \$1,742,619. Restitution in the full amount of the bribes is appropriate. The bribe payments represent not payments to the database administrators

who were placed by Apex but rather monies for which MultiPlan received no value. Certainly, payments above amounts actually paid to database administrators do not reflect any value added by Apex, which only obtained the business through fraud. Moreover, according to MultiPlan, database administrators placed by Apex were often less qualified than MultiPlan had been led to believe. As an example, one of Apex's "senior level" database administrators was terminated after making multiple significant computing mistakes, including, deleting data in a key table in the company's core re-pricing application. Because MultiPlan received no value for the bribe payments and because Apex's staffing was not in line with what MultiPlan was led to believe, the Court should order restitution in the full amount of the bribe payments, \$1,742,619.

Finally, the Government wishes to advise the Court that Robert L. Peabody, Esq., an attorney with Jackson Lewis, P.C., which represents the Victim, MultiPlan, wishes to address the Court at sentencing. *See generally* Crime Victims' Right Act, 18 U.S.C. § 1771.

Very truly yours,

PREET BHARARA
United States Attorney

by: _____/s/_____
Elisha J. Kobre
Assistant United States Attorney
(212) 637-2599

cc: Peter E. Quijano, Esq. (by e-mail)
Anna N. Sideris, Esq. (by e-mail)

EXHIBIT A

ID	Document Status	Workflow	Status	Vendor Code	Vendor Name	Invoice Number	Invoice Date	Invoice Total	INV Desc	Voucher #	Check Number	Check Date	Check Amount	Rejection Reason
309896	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22126	7/18/2012		24610 6/1-6/30/12 214HRS PIGGOTT	191480				
309901	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22223	7/31/2012		18480 7/1-7/31/12 168HRS JAMBILI	191482				
309902	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22239	8/1/2012		19656 7/1-7/31/12 168HRS KATYAL	191535				
309903	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22244	8/1/2012		17600 7/1-7/31/12 160HRS LAUTHYA	191536				
309904	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22255	8/1/2012		22156 7/1-7/31/12 191HRS VENKATESH	191537				
309905	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22268	8/3/2012		18597.5 7/1-7/31/12 167.25HRS GERALD	191538				
309906	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22272	8/3/2012		23430 7/1-7/31/12 213HRS TAMMANA	191539				
309907	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22273	8/3/2012		18170 7/1-7/31/12 158HRS JAIN	191540				
309908	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22274	8/3/2012		6720 7/1-7/31/12 64HRS VUPPALA	191541				
309909	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22291	8/3/2012		29210 7/1-7/31/12 254HRS MOHITE	191542				
309910	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22296	8/3/2012		20130 7/1-7/31/12 183HRS VANGURU	191549				
309912	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22300	8/10/2012		24650 7/1-7/31/12 170HRS PATEL	191633				
309913	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22301	8/10/2012		18480 7/1-7/31/12 170HRS SHAH	191634				
309914	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22302	8/10/2012		24522 7/1-7/31/12 201HRS KADAVAKOLLU	191635				
309915	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22303	8/10/2012		28710 7/1-7/31/12 198HRS MANCHANDA	191636				
309916	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22305	8/10/2012		26105 7/1-7/31/12 227HRS PIGGOTT	191637				
309917	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22306	8/10/2012		22660 7/1-7/31/12 206HRS MANUKONDA	191638				
309925	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22270	8/5/2012		20700 7/1-7/31/12 180HRS YESHWANTH	191632				
309926	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22409	8/16/2012		9200 7/1-7/31/12 80HRS SRIVASTAVA	191642				
309930	Incomplete			APEXT001	APEX TECHNOLOGY GROUP INC	22444	9/10/2012		13800 8/1-8/31/12 120HRS PATEL	192199				
309911	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22259	8/10/2012		19320 7/1-7/31/12 168HRS KARTIK					
309915	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22294	8/10/2012		3480 8/1-8/31/12 24HRS MANCHANDA					
309916	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22525	8/31/2012		21528 8/1-8/31/12 184HRS KATYAL					
309917	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22526	8/31/2012		20460 8/1-8/31/12 186HRS SANDEEP					
309918	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22531	8/31/2012		24150 8/1-8/31/12 210HRS MOHITE					
309919	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22532	8/31/2012		25868 8/1-8/31/12 223HRS VENKATESH					
309920	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22535	8/31/2012		23100 8/1-8/31/12 210HRS MANUKONDA					
309921	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22537	8/31/2012		21390 8/1-8/31/12 186HRS YESHWANTH					
309922	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22560	9/6/2012		18515 8/1-8/31/12 161HRS JAIN					
309923	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22590	9/7/2012		17600 8/1-8/31/12 160HRS LAUTHYA					
309924	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22591	9/7/2012		19320 8/1-8/31/12 184HRS SHAH					
309925	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22592	9/7/2012		20680 8/1-8/31/12 188HRS VANGURU					
309926	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22594	9/7/2012		25010 8/1-8/31/12 205HRS KADAVAKOLLU					
309927	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22615	9/7/2012		24495 8/1-8/31/12 213HRS PIGGOTT					
309928	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22620	9/7/2012		15785 8/1-8/31/12 143.5HRS GERALD					
309929	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22660	9/11/2012		21160 8/1-8/31/12 194HRS SRIVASTAVA					
309931	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22627	8/31/2012		19780 8/1-8/31/12 172HRS KARTIK					
309932	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22556	8/31/2012		12075 8/1-8/31/12 115HRS YUPPALA					
309933	Pre-indexed	AP Processing	Do Not Pay	APEXT001	APEX TECHNOLOGY GROUP INC	22593	9/7/2012	\$ 786,622.50	25520 8/1-8/31/12 176HRS PATEL, PARIMAL					

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